



Arizona State Retirement System

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Special Notice

IRS regulations regarding minimum retirement age

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The federal Internal Revenue Service has issued new regulations restricting the definition of normal retirement age, which could affect ASRS members.

Currently, ASRS members may retire with a “normal” or unreduced benefit at one of three milestones: age 65; age 62 with 10 years of credited service; or at 80 points as determined by adding age and years of credited service.

The new regulation defines normal retirement age as an “age that is not earlier than the earliest age that is reasonably representative of the typical retirement age for the industry in which the covered workforce is employed.” A new, specific minimum age, however, has not yet been defined by the IRS.

The IRS has asked for comments on the new regulations, tentatively scheduled to become effective July 1, 2009.

A coalition of pension plan organizations has requested clarifying information and a delay of implementation of any new regulations on this matter.

As soon as more complete and firm information is provided by the IRS, the ASRS will make such information available. In the meantime, the ASRS has no plans to change its policies or procedures regarding normal retirement age.

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